

REPORT OF THE COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

June 14, 2005

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: Chairman Collins, Vice Chairman Goslin, Commissioners Gorman, Hansen, Maldonado, Murphy and Quigley (7)

Absent: None (0)

Also

Present: Commissioner Claypool; Jacquelyn Harder - Economic Development Project Director, Department of Planning and Development; David Dweyer - Attorney, Amari & Locallo; Ryan Hesch - Partner, MLRP Realty Partners.

Ladies and Gentlemen:

Your Committee on Business and Economic Development of the Board of Commissioners of Cook County met pursuant to notice on Tuesday, June 14, 2005 at the hour of 2:00 PM in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Your Committee has considered the following items and upon adoption of this report, the recommendations are as follows:

271499 DEPARTMENT OF PLANNING AND DEVELOPMENT, by Gwendolyn D. Clemons, Director, transmitting a Communication, dated May 16, 2005:

Re: Pulaski Partners, LLC
Resolution Approving Class 8 Special Exception to Abandonment

respectfully submitting this Resolution regarding Pulaski Partners, LLC's application for Class 8 property tax incentive for your consideration.

Pulaski Partners, LLC requests approval of the special exception to the 24 month abandonment rule under the Class 8 Ordinance. This Resolution is required so that the company can complete its application to the Assessor of Cook County.

Pulaski Partners, LLC's application for a Class 8, the Resolution of the Village of Midlothian and a Department of Planning and Development staff report have been submitted for your information.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 8 that provides an applicant a reduction in the assessment level for a commercial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from Pulaski Partners, LLC and the Resolution from the Village of Midlothian for an abandoned commercial facility located at 14441-45 South Cicero Avenue, Midlothian, Cook County, Illinois, Property Index Number 28-10-108-035-0000; and

WHEREAS, Class 8 requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the commercial facility has been abandoned for less than 24 consecutive months upon purchase; and

WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned for 12 months at the time of application, and that special circumstances are present.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, State of Illinois, that the President and Board of Commissioners indicate their approval for the filing of an application for a Cook County Real Estate Classification 8 abatement incentive to the company for an abandoned commercial facility located at 14441-45 South Cicero Avenue, Midlothian, Cook County, Illinois, under the provision for abandonment of less than 24 months; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Business & Economic Development Committee 06/07/05.**

Commissioner Gorman stated that she is concerned with the type of businesses; auto parts and computer retail that Pulaski Partners is trying to put into the strip mall which there are many retailers already established in the same type of business.

Commissioner Murphy replied that she had spoken to the Village President of Midlothian, Thomas J. Murawski regarding the new retail shops that Pulaski Partners is bringing in, and he is in favor of the project and feels that the new retail shops will be viable for the Village of Midlothian.

Commissioner Claypool stated that he thinks it is not Cook County's business to take tax dollars to give an unfair competitive advantage to one business over another, which doesn't help create new jobs it simply shifts jobs from one subsidized retailer to one that is not subsidized over time. Further, Commissioner Claypool stated that he questions as a good public policy whether that is an appropriate thing to do, although the Ordinance may allow technically for the application to be approved, the County does have the discretion to object the application.

Chairman Collins replied that she trusts that the local municipalities would be aware whether they are putting a business out-of-business in order to create another business. Further, Chairman Collins stated that once the application goes to the Assessor's Office, the office looks at the application to see if the new business stimulates the economy.

Commissioner Maldonado pointed out that there are certain areas in the County that are economically deprived, and some of the incentive programs to attract businesses into an area is one of the few mechanisms that the County as to be able to attract businesses to some areas. Further, Commissioner Maldonado suggested that a study should be done to see the effect that the Classification Ordinance has had since it was originally approved in the late 70's or early 80's, to assess the actual economic benefits that this type of incentive programs have brought into the communities.

271500 DEPARTMENT OF PLANNING AND DEVELOPMENT, by Gwendolyn D. Clemons, Director, transmitting a Communication, dated May 16, 2005:

Re: Mr. Dino Krupa/Royal Transportation Systems, Inc.
Resolution Approving Class 6b Special Exception to Abandonment

respectfully submitting this Resolution regarding Mr. Dino Krupa/Royal Transportation Systems, Inc.'s application for Class 6b property tax incentive for your consideration.

Mr. Dino Krupa/Royal Transportation Systems, Inc. requests approval of the special exception to the 24 month abandonment rule under the Class 6b Ordinance. This Resolution is required so that Mr. Dino Krupa/Royal Transportation Systems, Inc. can complete its application to the Assessor of Cook County.

Mr. Dino Krupa/Royal Transportation Systems, Inc.'s application for a Class 6b, the Resolution of Elk Grove Village, Illinois, and a Department of Planning and Development staff report have been submitted for your information.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the Cook County Board of Commissioners has received and reviewed an application from Mr. Dino Krupa/Royal Transportation Systems, Inc. and the Resolution from Elk Grove Village for an abandoned industrial facility located at 890 Lively Boulevard, Elk Grove Village, Cook County, Illinois, Property Index Number 08-27-301-023-0000; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the industrial facility has been abandoned for less than 24 consecutive months upon purchase; and

WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned for 12 months at the time of application, and that special circumstances are present.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, State of Illinois, that the President and Board of Commissioners indicated their approval for the filing of an application for a Cook County Real Estate Classification 6b abatement incentive to Mr. Dino Krupa/Royal Transportation Systems, Inc. for an abandoned industrial facility located at 890 Lively

Boulevard, Elk Grove Village, Cook County, Illinois, under the provision for abandonment of less than 24 months; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Business & Economic Development Committee 06/07/05.**

271501

DEPARTMENT OF PLANNING AND DEVELOPMENT, by Gwendolyn D. Clemons, Director, transmitting a Communication, dated May 16, 2005:

Re: MLRP 2301 Greenleaf, LLC
Resolution Approving Class 6b Special Exception to Abandonment

respectfully submitting this Resolution regarding MLRP 2301 Greenleaf, LLC's application for a Class 6b property tax incentive for your consideration.

MLRP 2301 Greenleaf, LLC requests approval of the special exception to the 24 month abandonment rule under the Class 6b Ordinance. This Resolution is required so that MLRP 2301 Greenleaf, LLC can complete its application to the Assessor of Cook County.

MLRP 2301 Greenleaf, LLC's application for a Class 6b, the Resolution of Elk Grove Village, Illinois, and a Department of Planning and Development staff report have been submitted for your information.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the Cook County Board of Commissioners has received and reviewed an application from MLRP 2301 Greenleaf, LLC and the Resolution from Elk Grove Village for an abandoned industrial facility located at 2301 Greenleaf, Elk Grove Village, Cook County, Illinois, Property Index Number 08-35-202-029-0000; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the industrial facility has been abandoned for less than 24 consecutive months upon purchase; and

WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned for 14 months at the time of application, and that special circumstances are present.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, State of Illinois, that the President and Board of Commissioners indicated their approval for the filing of an application for a Cook County Real Estate Classification 6b abatement incentive to MLRP 2301 Greenleaf, LLC for an abandoned industrial facility located at 2301 Greenleaf, Elk Grove Village, Cook County, Illinois, under the provision for abandonment of less than 24 months; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Business & Economic Development Committee 06/07/05.**

Commissioner Gorman asked how many new jobs will be created.

Ryan Hesch, Partner, MLRP Realty Partners, replied that currently the facility is vacant and falls under the two year abandonment clause and that is why MLRP Realty Partners are before the Committee today. Further, Mr. Hesch stated that at this time he was not able to give the Committee a direct answer, but that type of facility it lends itself to a light manufacturing assembly which typically run a couple of shifts; and with that size of facility you can have from twenty to potentially sixty to sixty-five jobs depending upon the number of shifts.

David Dweyer, Attorney, Amari & Locallo, stated that at this time MLRP Realty Partners intentions are to get a light manufacturing tenant in the facility, but unfortunately without the Class 6B it is not a viable opportunity and the deal will fall through and the building will remain vacant. Mr. Dweyer, further stated that the only way MLRP Realty Partners can get a tenant into the building at this time would be with the incentive, and at this time with the size of the building and with the market as it is at this time MLRP Realty Partners is looking in creating between thirty-five to sixty jobs once the building is fully occupied.

Mr. Dweyer stated that the building is in need of repairs and MLRP Realty Partners is looking to spend \$350,000 to \$400,000 on repairing the building. In conclusion, Mr. Dweyer stated that the final use of the building will be for industrial.

Commissioner Maldonado asked who will receive the incentive.

Commissioner Murphy asked if the Committee can hear from Jacquelyn Harder, Economic Development Project Director, Department of Planning and Development.

Jacquelyn Harder replied that the incentive will go to the owner. Ms. Harder stated that with an abandonment provision there has to be a purchase, or in another words a new owner. She stated that MLRP Realty Partners is purchasing the building, which at this time it is abandon and they intent to put in a manufacturing business that will be there tenant.

Chairman Collins asked whether the business will also qualify for tax incentives from the County.

Ms. Harder replied that the owner would pass through the property tax benefit to the tenant.

Chairman Collins asked if this procedure was consistent with the County's Ordinance and if had ever been done.

Ms. Harder replied that it has been before, but at this time she does not have the actual numbers. Further, Ms. Harder stated that the Ordinance requires a purchase of a building.

Commissioner Claypool asked what happens if the buyer does not get a tenant for the building.

Ms. Harder replied that the owner will not receive the incentive. The incentive is only activated with full occupancy.

Commissioner Murphy, seconded by Commissioner Gorman, moved the Approval of Communication Nos. 271499, 271500 and 271501. The motion carried.

271502 DEPARTMENT OF PLANNING AND DEVELOPMENT, by Gwendolyn D. Clemons, Director, transmitting a Communication, dated May 16, 2005:

Re: Elizabeth 120, LLC
Resolution Approving ~~Renewal~~ of Class 6b Special Exception to Abandonment

respectfully submitting this Resolution regarding the Elizabeth 120, LLC's application for a Class 6b property tax incentive for your consideration.

The Elizabeth 120, LLC requests approval of the ~~renewal~~ of Class 6b as per the Classification Ordinance. This Resolution is required so that Elizabeth 120, LLC, which is located in unincorporated Cook County, can complete its application to the Assessor of Cook County.

The Elizabeth 120, LLC's application for ~~renewal~~ of Class 6b and a Department of Planning and Development staff report have been submitted for your information.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the Cook County Board of Commissioners has received and reviewed an application from Elizabeth 120, LLC for a facility located in unincorporated Elk Grove Township at 120 Elizabeth Drive, Arlington Heights, Illinois, Property Index Number 08-26-202-006-0000; and

WHEREAS, the Cook County Board of Commissioners has determined that the Class 6b is necessary for development to occur on the subject property and beneficial to the local company; and

WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned for 8 months at the time of purchase and that special circumstances; including the property not being well maintained and in a state of disrepair and in need of substantial renovation are present.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, State of Illinois, that the President and Board of Commissioners find that Elizabeth 120, LLC's industrial use of the property is necessary and beneficial to the local economy and that they support and consent to the application for a Class 6b for abandoned industrial facility located at 120 Elizabeth Drive, Arlington Heights, Unincorporated Elk Grove Township, under the provision for abandonment of less than 24 months; and

